

PRESS RELEASE



18 November 2015

GB Railfreight says rail freight industry at an “important crossroads” in response to Government announcement of coal power station closures

In response to today's announcement by Government Energy Secretary Amber Rudd MP that coal power stations would be phased out by 2025, GB Railfreight Managing Director John Smith said:

“Today’s announcement on the closure of coal stations raises considerable challenges for the rail freight industry. A reduction in coal has long been anticipated and is clearly important to help the UK meet its carbon targets, however coal stations are closing sooner than intended due to the impact of the carbon tax regime. Together with the demise of the UK’s steel industry, the rail freight sector is seeing the reduction of bulk commodities that have been the core of our business and allowed us to speculate in other markets.

“Whilst there is an opportunity for rail freight to open up into new and existing markets and to take lorries off the road, we urgently need to see a joined-up approach from Government that supports rail freight to prosper. This includes investment in enhancements to create more capacity on key rail arteries like the West Coast and East Coast Main Lines that would enable us to grow intermodal, particularly the long-overdue capacity improvements required around the Port of Felixstowe. It also includes the critical need to ensure that the Strategic Freight Network exists and is funded for the next Control Period.

“We are at an important crossroads for rail freight where we need to find and develop new and existing foundations, and this requires Government support, an integrated approach to our logistics strategy and long-term certainty in the markets that we serve.”